

Mr. Kenneth Moore
DaimlerChrysler Corporation - Kokomo Transmission Plant
P.O. Box 9007
Kokomo, IN 46904-9007

Re: Significant Source Modification No:
067-10711-00065

Dear Mr. Moore:

DaimlerChrysler Corporation - Kokomo Transmission Plant applied for a Part 70 operating permit on September 4, 1996 for machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks. An application to modify the source was received on March 4, 1999. Pursuant to 326 IAC 2-7-10.5, the following emission units are approved for construction at the source:

- (a) Two (2) reciprocating internal combustion engines, identified as DYNA 8 and DYNA 9, each fueled by gasoline, each with a maximum heat capacity of 4.2 million British thermal units (MMBtu) per hour, and each exhausting through one (1) stack.

The proposed Significant Source Modification approval will be incorporated into the pending Part 70 permit application pursuant to 326 IAC 2-7-10.5(l)(3). If there are no changes to the proposed construction of the emission units, the source may begin operating on the date that IDEM receives an affidavit of construction pursuant to 326 IAC 2-7-10.5(h). If there are any changes to the proposed construction the source can not operate until an Operation Permit Validation Letter is issued.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter contact Yvette de los Angeles, c/o OAM, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, or call (800) 451-6027, press 0 and ask for Duane Van Laningham or extension (3-6878), or dial (973) 575-2555, extension 3216.

Sincerely,

Paul Dubenetzky, Chief
Permits Branch
Office of Air Management

Attachments
YD/EVP

cc: File - Howard County
U.S. EPA, Region V
Air Compliance Section Inspector Ryan Hillman
Compliance Data Section - Jerri Curless
Administrative and Development - Janet Mobley
Technical Support and Modeling - Nancy Landau

PART 70 SIGNIFICANT SOURCE MODIFICATION OFFICE OF AIR MANAGEMENT

**DaimlerChrysler Corporation - Kokomo Transmission Plant
2401 South Reed Road
Kokomo, Indiana 46904**

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this approval.

This approval is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Source Modification No.: 067-10711-00065	
Issued by: Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date:

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SECTION A

SOURCE SUMMARY

This approval is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Management (OAM). The information describing the emission units contained in conditions A.1 through A.2 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this approval pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

The Permittee owns and operates stationary machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks.

Responsible Official: Kenneth R. Moore
Source Address: 2401 South Reed Road, Kokomo, Indiana 46904
Mailing Address: P.O. Box 9007, Kokomo, Indiana 46904-9007
Phone Number: (765) 454-1000
SIC Code: 3714
County Location: Howard
County Status: Attainment for all criteria pollutants
Source Status: Part 70 Permit Program
Major Source, under PSD Rules;
Major Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source is approved to construct and operate the following emission units and pollution control devices:

- (a) Two (2) reciprocating internal combustion engines, identified as DYNA 8 and DYNA 9, each fueled by gasoline, each with a maximum heat capacity of 4.2 million British thermal units (MMBtu) per hour, and each exhausting through one (1) stack.

A.3 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

- (a) It is a major source, as defined in 326 IAC 2-7-1(22);
- (b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability).

SECTION B GENERAL CONSTRUCTION CONDITIONS

B.1 Permit No Defense [IC 13]

This approval to construct does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

B.2 Definitions [326 IAC 2-7-1]

Terms in this approval shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, any applicable definitions found in IC 13-11, 326 IAC 1-2 and 326 IAC 2-7 shall prevail.

B.3 Effective Date of the Permit [IC13-15-5-3]

Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.

B.4 Revocation of Permits [326 IAC 2-1.1-9(5)][326 IAC 2-7-10.5(i)]

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this approval if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

B.5 Significant Source Modification [326 IAC 2-7-10.5(h)]

This document shall also become the approval to operate pursuant to 326 IAC 2-7-10.5(h) when, prior to start of operation, the following requirements are met:

- (a) The attached affidavit of construction shall be submitted to the Office of Air Management (OAM), Permit Administration & Development Section, verifying that the emission units were constructed as proposed in the application. The emissions units covered in the Significant Source Modification approval may begin operating on the date the affidavit of construction is postmarked or hand delivered to IDEM if constructed as proposed.
- (b) If actual construction of the emissions units differs from the construction proposed in the application, the source may not begin operation until the source modification has been revised pursuant to 326 IAC 2-7-11 or 326 IAC 2-7-12 and an Operation Permit Validation Letter is issued.
- (c) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.
- (d) The Permittee shall receive an Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section and attach it to this document.

However, in the event that the Title V application is being processed at the same time as this application, the following additional procedures shall be followed for obtaining the right to operate:

- (a) If the Title V draft permit has not gone on public notice, then the change/addition covered by the Significant Source Modification (SSM) will be included in the Title V draft.
- (b) If the Title V permit has gone thru final EPA proposal and would be issued ahead of the SSM, then the SSM will go thru a concurrent 45 day EPA review. Then the SSM will be incorporated into the final Title V permit at the time of issuance.

- (c) If the Title V permit has not gone thru final EPA review and would be issued after the SSM is issued, then the SSM would be added to the proposed Title V permit, and the Title V permit will be issued after EPA review.

SECTION C GENERAL OPERATION CONDITIONS

C.1 Certification [326 IAC 2-7-4(f)] [326 IAC 2-7-6(1)]

- (a) Where specifically designated by this approval or required by an applicable requirement, any application form, report, or compliance certification submitted under this approval shall contain certification by a responsible official of truth, accuracy, and completeness. This certification, and any other certification required under this approval, shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.
- (b) One (1) certification shall be included, on the attached Certification Form, with each submittal.
- (c) A responsible official is defined at 326 IAC 2-7-1(34).

C.2 Preventive Maintenance Plan [326 IAC 2-7-5(1),(3) and (13)] [326 IAC 2-7-6(1) and (6)] [326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this approval, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMP) within ninety (90) days after issuance of this approval, including the following information on each facility:
 - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
 - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions;
 - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If due to circumstances beyond its control, the PMP cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Management
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

- (b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that lack of proper maintenance does not cause or contribute to a violation of any limitation on emissions or potential to emit.
- (c) PMP's shall be submitted to IDEM, OAM upon request and shall be subject to review and approval by IDEM, OAM.

C.3 Permit Amendment or Modification [326 IAC 2-7-11] [326 IAC 2-7-12]

- (a) The Permittee must comply with the requirements of 326 IAC 2-7-11 or 326 IAC 2-7-12 whenever the Permittee seeks to amend or modify this approval.
- (b) Any application requesting an amendment or modification of this approval shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Management
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

Any such application should be certified by the "responsible official" as defined by 326 IAC 2-7-1(34) only if a certification is required by the terms of the applicable rule

- (c) The Permittee may implement administrative amendment changes addressed in the request for an administrative amendment immediately upon submittal of the request. [326 IAC 2-7-11(c)(3)]

C.4 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Exemptions), opacity shall meet the following, unless otherwise stated in this approval:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor in a six (6) hour period.

Testing Requirements [326 IAC 2-7-6(1)]

C.5 Performance Testing [326 IAC 3-6]

- (a) All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this approval, utilizing methods approved by IDEM, OAM.

A test protocol, except as provided elsewhere in this approval, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

no later than thirty-five (35) days prior to the intended test date. The Permittee shall submit a notice of the actual test date to the above address so that it is received at least two weeks prior to the test date.

- (b) All test reports must be received by IDEM, OAM within forty-five (45) days after the completion of the testing. An extension may be granted by the Commissioner, if the source submits to IDEM, OAM, a reasonable written explanation within five (5) days prior to the end of the initial forty-five (45) day period.

The documentation submitted by the Permittee does not require certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Corrective Actions and Response Steps [326 IAC 2-7-5] [326 IAC 2-7-6]

C.6 Actions Related to Noncompliance Demonstrated by a Stack Test [326 IAC 2-7-5] [326 IAC 2-7-6]

- (a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this approval exceed the level specified in any condition of this approval, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAM, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected facility while the corrective actions are being implemented. IDEM, OAM shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAM within thirty (30) days of receipt of the notice of deficiency. IDEM, OAM reserves the authority to use enforcement activities to resolve noncompliant stack tests.
- (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAM that retesting in one-hundred and twenty (120) days is not practicable, IDEM, OAM may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate approval conditions may be grounds for immediate revocation of the approval to operate the affected facility.

The documents submitted pursuant to this condition do not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

C.7 Monitoring Data Availability [326 IAC 2-7-6(1)] [326 IAC 2-7-5(3)]

- (a) With the exception of performance tests conducted in accordance with Section C- Performance Testing, all observations, sampling, maintenance procedures, and record keeping, required as a condition of this approval shall be performed at all times the equipment is operating at normal representative conditions.
- (b) As an alternative to the observations, sampling, maintenance procedures, and record keeping of subsection (a) above, when the equipment listed in Section D of this approval is not operating, the Permittee shall either record the fact that the equipment is shut down or perform the observations, sampling, maintenance procedures, and record keeping that would otherwise be required by this approval.
- (c) If the equipment is operating but abnormal conditions prevail, additional observations and sampling should be taken with a record made of the nature of the abnormality.
- (d) If for reasons beyond its control, the operator fails to make required observations, sampling, maintenance procedures, or record keeping, reasons for this must be recorded.
- (e) At its discretion, IDEM may excuse such failure providing adequate justification is documented and such failures do not exceed five percent (5%) of the operating time in any quarter.
- (f) Temporary, unscheduled unavailability of staff qualified to perform the required observations, sampling, maintenance procedures, or record keeping shall be considered a valid reason for failure to perform the requirements stated in (a) above.

C.8 General Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-6]

- (a) Records of all required monitoring data and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years and available upon the request of an IDEM, OAM, representative. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a written request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.
- (b) Records of required monitoring information shall include, where applicable:
 - (1) The date, place, and time of sampling or measurements;
 - (2) The dates analyses were performed;
 - (3) The company or entity performing the analyses;
 - (4) The analytic techniques or methods used;
 - (5) The results of such analyses; and
 - (6) The operating conditions existing at the time of sampling or measurement.
- (c) Support information shall include, where applicable:
 - (1) Copies of all reports required by this approval;
 - (2) All original strip chart recordings for continuous monitoring instrumentation;
 - (3) All calibration and maintenance records;
 - (4) Records of preventive maintenance shall be sufficient to demonstrate that improper maintenance did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures.
- (d) All record keeping requirements not already legally required shall be implemented within ninety (90) days of approval issuance.

C.9 General Reporting Requirements [326 IAC 2-7-5(3)(C)]

- (a) The reports required by conditions in Section D of this approval shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Management
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

- (b) Unless otherwise specified in this approval, any notice, report, or other submission required by this approval shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAM on or before the date it is due.
- (c) Unless otherwise specified in this approval, any quarterly report shall be submitted within thirty (30) days of the end of the reporting period. The report does not require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).
- (d) The first report shall cover the period commencing on the date of issuance of this approval and ending on the last day of the reporting period.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]

Two (2) reciprocating internal combustion engines, identified as DYNA 8 and DYNA 9, each fueled by gasoline, each with a maximum heat capacity of 4.2 million British thermal units (MMBtu) per hour, and each exhausting through one (1) stack.

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.1.1 PSD Minor Limit [326 IAC 2-2] [40 CFR 52.21]

- (a) The input of gasoline to the two (2) reciprocating internal combustion engines shall be limited to 63,000 gallons per 12 consecutive month period, rolled on a monthly basis. This fuel usage limitation is equivalent to emissions of less than 100 tons per year of CO. Compliance with this limit makes 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.2 not applicable. Any change or modification, from the two (2) reciprocating internal combustion engines that would increase in potential to emit of CO to more than 100 tons per year, shall obtain approval from the Office of Air Management (OAM), as required by 326 IAC 2-1 before such change can occur.
- (b) The results of testing required by Condition D.1.3 shall be used to confirm the CO emission factor (3.12 pounds per gallon gasoline combusted) provided by the Permittee. If testing indicates an emission factor greater than 3.12 pounds of CO per gallon of fuel combusted then fuel usage shall be adjusted to keep potential CO emissions to less than 100 tons per year.

D.1.2 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for this facility and any control devices.

Compliance Determination Requirements

D.1.3 Testing Requirements [326 IAC 2-7-6(1),(6)][326 IAC 2-1.1-11]

Within 36 months after issuance of this permit, the Permittee shall perform CO testing utilizing Method 10, or other methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. In addition to these requirements, IDEM may require compliance testing when necessary to determine if the facility is in compliance.

Record Keeping and Reporting Requirement [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.1.4 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.1.1 (a) shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported if the testing results in Condition D.1.3 indicate that CO emissions are over 100 tons per year.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR MANAGEMENT
COMPLIANCE DATA SECTION**

**PART 70 SOURCE MODIFICATION
CERTIFICATION**

Source Name: DaimlerChrysler Corporation - Kokomo Transmission Plant
Source Address: 2401 South Reed Road, Kokomo, IN 46904
Mailing Address: P.O. Box 9007, Kokomo, IN 46904-9007
Source Modification No.: 067-10711-00065

This certification shall be included when submitting monitoring, testing reports/results or other documents as required by this approval.

Please check what document is being certified:

- 9 Test Result (specify) _____
- 9 Report (specify) _____
- 9 Notification (specify) _____
- 9 Other (specify) _____

I certify that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Signature:

Printed Name:

Title/Position:

Date:

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR MANAGEMENT
COMPLIANCE DATA SECTION**

Part 70 Source Modification Quarterly Report

Source Name: DaimlerChrysler Corporation - Kokomo Transmission Plant
Source Address: 2401 South Reed Road, Kokomo, IN 46904
Mailing Address: P.O. Box 9007, Kokomo, IN 46904-9007
Source Modification No.: 067-10711-00065
Facility: Two (2) reciprocating internal combustion engines
Parameter: carbon monoxide (CO)
Limit: The input of gasoline shall be limited to 63,000 gallons per 12 consecutive month period, rolled on a monthly basis.

YEAR: _____

Month	Gasoline Usage	Gasoline Usage	Gasoline Usage
	This Month (gallons)	Previous 11 Months (gallons)	12 Month Total (gallons)
Month 1			
Month 2			
Month 3			

9 No deviation occurred in this quarter.

9 Deviation/s occurred in this quarter.
Deviation has been reported on: _____

Submitted by: _____
Title / Position: _____
Signature: _____
Date: _____
Phone: _____

Indiana Department of Environmental Management Office of Air Management

Technical Support Document (TSD) for a Significant Source Modification to a Part 70 Operating Permit

Source Background and Description

Source Name: DaimlerChrysler Corporation - Kokomo Transmission Plant
Source Location: 2401 South Reed Road, Kokomo, Indiana 46904-9007
County: Howard
SIC Code: 3714
Operation Permit No.: 067-10711-00065
Permit Reviewer: Yvette de los Angeles/EVP

The Office of Air Management (OAM) has reviewed a modification application from DaimlerChrysler Corporation - Kokomo Transmission Plant relating to the operation of machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks.

History

On March 4, 1999, DaimlerChrysler Corporation - Kokomo Transmission Plant submitted an application to the OAM requesting to add two (2) reciprocating internal combustion engines to their existing plant. An application for a Part 70 permit (T-067-6504-00065) for the existing source was received on September 4, 1996 and is currently being reviewed by IDEM.

Source Definition

The operation of machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks company consists of two (2) plants:

The Chrysler Kokomo Transmission Plant has been combined with the Chrysler Kokomo Casting Plant as one Title V source. The Chrysler Kokomo Transmission Plant is currently reviewed under a separate Part 70 Permit No. T-067-6504-00065. The Chrysler Kokomo Casting Plant is currently reviewed under a separate Part 70 Permit No. T-067-5246-00065.

- (a) Plant 1 is located at Kokomo Transmission Plant (KTP), 2401 S. Reed Road, Kokomo, IN 46904 ; and
- (b) Plant 2 is located at Kokomo Casting Plant (KCP), 1001 East Boulevard, Kokomo, IN 46904.

The following explains why Plant 1 and Plant 2 are combined sources:

OAM shall consider KTP and KCP as one source because plants KTP and KCP are under common control, KCP is acting as a support facility for KTP, and the plants are located on contiguous properties.

The Indiana Transmission Plant (ITP) will be considered a separate source because it is approximately six (6) miles from KCP and KTP. Furthermore, approximately 0.1 percent and 23 percent of supplies from KTP and KCP, respectively, are sent to Indiana Transmissions Plant.

Separate Part 70 permits will be issued to Chrysler Corporation, Kokomo Transmission Plant and Chrysler Corporation, Kokomo Casting Plant.

Permitted Emission Units and Pollution Control Equipment

There are no permitted facilities operating at this source during this review process.

Unpermitted Emission Units and Pollution Control Equipment

There are no unpermitted facilities operating at this source during this review process.

New Emission Units and Pollution Control Equipment

The application includes information relating to the construction and operation of the following equipment:

- (a) Two (2) reciprocating internal combustion engines, identified as DYNA 8 and DYNA 9, each fueled by gasoline, each with a maximum heat capacity of 4.2 million British thermal units (MMBtu) per hour, and each exhausting through one (1) stack.

Existing Approvals

The source applied for a Part 70 Operating Permit (T-067-6504-00065) on September 4, 1996. The source has been operating under previous approvals including, but not limited to, the following:

- (a) ENSR 067-10480-00065, issued on March 8, 1999,
- (b) CP 067-6375-00003, issued on November 12, 1996,
- (c) CP 067-4933-00003, issued on December 19, 1995,
- (d) OP 34-10-94-0290, issued on January 2, 1990,
- (e) OP 34-10-94-0291, issued on January 2, 1990,
- (f) OP 34-10-94-0292, issued on January 2, 1990,
- (g) OP 34-10-94-0293, issued on January 2, 1990,
- (h) OP 34-10-94-0294, issued on January 2, 1990,
- (i) Registration, number not provided, issued on January 19, 1988, *
- (j) Amendment to Operation Permit, issued on May 20, 1985,
- (k) Exemption, number not provided, issued on June 10, 1985,
- (l) Amendment to Exemption, issued on November 25, 1985,
- (m) Registration, number not provided, issued on April 16, 1984,
- (n) Amendment to Operation Permit, issued on May 1, 1984,
- (o) OP 34-10-86-0257, issued on November 29, 1982,
- (p) CP (34) 1437, issued on August 20, 1979,
- (q) CP (34) 1367, issued on March 1, 1979, and
- (r) OP 34-10-82-0209, issued on October 17, 1978.

* OAM received a letter from Chrysler on January 9, 1998 requesting to void the registration permit dated January 19, 1988 because the operating units, and the baghouse have been removed from the operations, and have been disposed of off-site.

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (°F)
TBD	DYNA 8	TBD	TBD	1000-2000	750
TBD	DYNA 9	TBD	TBD	1000-2000	750

Recommendation

The staff recommends to the Commissioner that the Significant Source Modification be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on March 4, 1999.

Emission Calculations

See Appendix A of this document for detailed emissions calculations (one (1) page).

Potential To Emit

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA."

Pollutant	Potential To Emit (tons/year)
PM	0.20
PM-10	0.20
SO ₂	0.17
VOC	5.04
CO	98.28
NO _x	5.67

Note: For the purpose of determining Title V applicability for particulates, PM-10, not PM, is the regulated pollutant in consideration.

HAP's	Potential To Emit (tons/year)
Benzene	less than 10
1,3-Butadiene	less than 10
Formaldehyde	less than 10
Acetaldehyde	less than 10
TOTAL	less than 25

- (a) The potential to emit (as defined in 326 IAC 2-1.1-1(16)) of CO is equal to or greater than 25 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.

County Attainment Status

The source is located in Howard County.

Pollutant	Status
PM-10	attainment
SO ₂	attainment
NO ₂	attainment
Ozone	attainment
CO	attainment
Lead	attainment

- (a) Volatile organic compounds (VOC) and oxides of nitrogen (NO_x) are precursors for the formation of ozone. Therefore, VOC and NO_x emissions are considered when evaluating the rule applicability relating to the ozone standards. Howard County has been designated as attainment or unclassifiable for ozone.

Source Status

Existing Source PSD, Part 70 or FESOP Definition (emissions after controls, based on 8,760 hours of operation per year at rated capacity and/ or as otherwise limited):

Pollutant	Potential to Emit (tons/year) for KTP	Potential to Emit (tons/year) for KCP	Potential to Emit (tons/year) Total emissions from KTP and KCP
PM	greater than 250	greater than 250	greater than 250
PM-10	greater than 250	greater than 250	greater than 250
SO ₂	greater than 250	less than 100	greater than 250
VOC	greater than 250	less than 100	greater than 250
CO	greater than 250	less than 100	greater than 250
NO _x	greater than 250	greater than 250	greater than 250

- (a) This existing source is a major stationary source because at least one attainment regulated pollutant is emitted at a rate of 250 tons per year.
- (b) These emissions were based on the pending Part 70 permit (T-067-6504-00065).

Proposed Modification

PTE from the proposed modification (based on 8,760 hours of operation per year at rated capacity including enforceable emission control and production limit, where applicable):

Pollutant	PM (ton/yr)	PM10 (ton/yr)	SO ₂ (ton/yr)	VOC (ton/yr)	CO (ton/yr)	NO _x (ton/yr)
Proposed Modification	0.20	0.20	0.17	5.04	98.28	5.67
Contemporaneous Increases	NA	NA	NA	NA	NA	NA
Contemporaneous Decreases	NA	NA	NA	NA	NA	NA
Net Emissions	0.20	0.20	0.17	5.04	98.28	5.67
PSD or Offset Significant Level	25	15	40	40	100	40

- (a) This modification to an existing major stationary source is not major because the emissions increase is less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, and 40 CFR 52.21, the PSD requirements do not apply.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This existing source has submitted their Part 70 (T-067-6504-00065) application on September 4, 1996. The equipment being reviewed under this permit shall be incorporated in the submitted Part 70 application.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (NSPS) (326 IAC 12 and 40 CFR Part 60) applicable to this source.
- (b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs) (326 IAC 14 and 40 CFR Part 63) applicable to this source.

State Rule Applicability - Entire Source

326 IAC 2-6 (Emission Reporting)

This source is subject to 326 IAC 2-6 (Emission Reporting), because it has the potential to emit more than one hundred (100) tons per year of all criteria pollutants. Pursuant to this rule, the owner/operator of the source must annually submit an emission statement for the source. The annual statement must be received by July 1 of each year and contain the minimum requirement as specified in 326 IAC 2-6-4. The submittal should cover the period defined in 326 IAC 2-6-2(8)(Emission Statement Operating Year).

326 IAC 5-1 (Visible Emissions Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Exemptions), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

State Rule Applicability - Individual Facilities

326 IAC 2-2 (Prevention of Significant Deterioration)

The existing source is a major PSD source. Therefore, any modification to this source which has the potential to emit of any of the criteria pollutants greater than the major modification thresholds, would be subject to the requirements of 326 IAC 2-2. To avoid these requirements, the potential to emit from the modification to this source must be limited below the major modification thresholds. The potential to emit of CO from the two (2) reciprocating internal combustion engines will be limited to less than 100 tons per year. Therefore, the two (2) reciprocating internal combustion engines are not subject to the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration).

326 IAC 9-1-2 (Carbon Monoxide Emission Limits)

The two (2) reciprocating internal combustion engines are not subject to 326 IAC 9-1-2 (Carbon Monoxide Emission Limits). The two (2) reciprocating internal combustion engines are not petroleum refining, ferrous metal smelters or refuse incinerator and burning equipment.

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAM, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The compliance monitoring requirements applicable to this source are as follows:

The two (2) reciprocating internal combustion engines do not have applicable compliance monitoring conditions.

Air Toxic Emissions

Indiana presently requests applicants to provide information on emissions of the 188 hazardous air pollutants (HAPs) set out in the Clean Air Act Amendments of 1990. These pollutants are either carcinogenic or otherwise considered toxic and are commonly used by industries. They are listed as air toxics on the Office of Air Management (OAM) Part 70 Application Form GSD-08.

- (a) This source will emit levels of air toxics less than those which constitute a major source according to Section 112 of the 1990 Clean Air Act Amendments.
- (b) See attached calculations for detailed air toxic calculations (Appendix A, page 1 of 1).

Conclusion

The operation of this machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks shall be subject to the conditions of the attached proposed **Significant Source Modification Permit No. 067-10711-00065**.

**Indiana Department of Environmental Management
Office of Air Management**

Addendum to the
Technical Support Document (TSD) for a Source Modification to a
Part 70 Operating Permit

Source Background and Description

Source Name: DaimlerChrysler Corporation - Kokomo Transmission Plant
Source Location: 2401 South Reed Road, Kokomo, Indiana 46904-9007
County: Howard
SIC Code: 3714
Operation Permit No.: 067-10711-00065
Permit Reviewer: Yvette de los Angeles/EVP

On April 30, 1999, the Office of Air Management (OAM) had a notice published in the Kokomo Tribune, Kokomo, Indiana, stating that DaimlerChrysler Corporation - Kokomo Transmission Plant had applied for a Significant Source Modification to a Part 70 Operating Permit for the construction and operation of two (2) reciprocating internal combustion engines. The notice also stated that OAM proposed to issue a permit for this installation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On May 24, 1999, DaimlerChrysler Corporation - Kokomo Transmission Plant submitted comments on the proposed Significant Source Modification to a Part 70 permit. The summary of the comments and corresponding responses are as follows (changes in bold or strikeout for emphasis):

Comment 1:

Table of Contents - The page numbers for the following sections should be changed:

C - General Operation Conditions: from page "5" to "6"
D.1 - Facility Operation Conditions...: from page "10" to "11"
Certification: from page "11" to "12"
Quarterly Report (1): from page "12" to "13"

Response 1:

The above changes shall be made to the final permit.

Comment 2:

Condition B.5(a) - The indicated "affidavit of construction" is not included in the draft permit.

Response 2:

The affidavit of construction is attached to the final permit.

Comment 3:

Condition C.8(c)(4) - While DaimlerChrysler realizes that the list of items in subsection (c) are qualified by "where applicable" and that the reference could be listed for easier incorporation into the draft Part 70 Operating Permit, DaimlerChrysler would like to point out that the Compliance Response Plan is not required for the applied emission units (dynamometers). Therefore, DaimlerChrysler requests that the above reference be deleted.

Response 3:

Since this source does not have any compliance monitoring to perform, DaimlerChrysler does not have to submit a Compliance Response Plan. Therefore, Condition C.8(c)(4) shall be modified as follows:

C.8 General Record Keeping Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-6]

(c) Support information shall include, where applicable:

- (4) Records of preventive maintenance shall be sufficient to demonstrate that improper maintenance did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures. ~~Records of response steps taken shall indicate whether the response steps were performed in accordance with the Compliance Response Plan required by Section C- Compliance Monitoring Plan - Failure to take Response Steps, of this approval, and whether a deviation from a approval condition was reported. All records shall briefly describe what maintenance and response steps were taken and indicate who performed the tasks.~~

Comment 4:

Condition D.1.1(a) - The following sentence should be changed as follows:

"This fuel usage limitation is equivalent **to emissions of** less than 100 tons per year **of CO.**"

Response 4:

The above changes shall be made to the final permit.

Comment 5:

Condition D.1.1(b) - The second sentence should be changed as follows:

"If testing indicates an emission factor greater than 3.12 pounds of CO per gallon of fuel combusted then fuel usage shall be adjusted to keep potential CO emissions to less than 100 tons per year."

Response 5:

Condition D.1.1(b) shall be modified as follows:

D.1.1 PSD Minor Limit [326 IAC 2-2] [40 CFR 52.21]

- (b) The results of testing required by Condition D.1.3 shall be used to confirm the CO emission factor (3.12 pounds per gallon gasoline combusted) provided by the Permittee. ~~If testing results indicate that the potential CO emission from the two (2) reciprocating internal combustion engines are greater than 100 tons per year, CO emissions shall be limited to less than 100 tons per year.~~ **If testing indicates an emission factor greater than 3.12 pounds of CO per gallon of fuel combusted then fuel usage shall be adjusted to keep potential CO emissions to less than 100 tons per year.**

Comment 6:

Condition D.1.2

- (a) There is no requirement in Section B of this draft permit that requires a Preventative Maintenance Plan; and
- (b) There is no control equipment associated with the proposed dynamometers. Therefore, this condition should be deleted.

Response 6:

Pursuant to 326 IAC 2-7-4(c)(9) (Permit Application), confirmation that the source maintains on-site a preventive maintenance plan as described in 326 IAC 1-6-3, must be included in the permit application. Pursuant to 326 IAC 2-7-5(13) (Permit Content), a provision that requires the source to do all of the following must be included in each Part 70 permit:

- 1) Maintain on-site the preventive maintenance plan as required under 326 IAC 2-7-4(c)(9);
- 2) Implement the preventive maintenance plan; and,
- 3) Forward to the department upon request the preventive maintenance plan.

The requirements in 326 IAC 1-6-1 and 326 IAC 1-6-3 specify that the requirement to maintain a Preventive Maintenance Plan is applicable to any facility that is required to obtain a permit under 326 IAC 2-1-2 (Registration) and 326 IAC 2-1-4 (Operating Permits). IDEM's compliance monitoring guidance states that a compliance monitoring plan is required only for:

- (a) the unit emits particulate matter, sulfur dioxide, or volatile organic compounds; and
- (b) the unit has existing applicable requirements; and
- (c) the unit is subject to a NSPS or NESHAP (for these units current requirements will satisfy as a compliance monitoring plan); or
- (d) the unit has a control device and the allowable emissions exceed 10 pounds per hour; or
- (e) the unit does not have a control device and has actual emissions exceeding 25 tons per year.

Since the dynamometers do not have a control device and have actual CO emissions exceeding 25 tons per year, a Preventative Maintenance Plan must be submitted.

Condition D.1.2 shall be modified to correctly identify the correct Section where the Preventative Maintenance Plan is located in the permit:

D.1.2 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section **B C** - Preventive Maintenance Plan, of this permit, is required for this facility and any control devices.

Comment 7:

Condition D.1.3 - The following sentence should be changed as follows:

~~"During the period between 30 and~~ **Within** 36 months after issuance of this permit, the Permittee shall perform CO testing utilizing Method 10, or other methods as approved by the Commissioner."

Response 7:

Condition D.1.3 shall be modified as follows:

D.1.3 Testing Requirements [326 IAC 2-7-6(1),(6)][326 IAC 2-1.1-11]

~~During the period between 30 and~~ **Within** 36 months after issuance of this permit, the Permittee shall perform CO testing utilizing Method 10, or other methods as approved by the Commissioner. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration. In addition to these requirements, IDEM may require compliance testing when necessary to determine if the facility is in compliance.

Comment 8:

Condition D.1.4

- (a) DaimlerChrysler believes that the reference "to document compliance with Condition D.1.1(b)" should be changed "to document compliance with Condition D.1.1(a)." The reporting form located at the end of the draft permit documents the volume of gasoline that has been utilized, corresponding with Condition D.1.1(a); and
- (b) The testing required by Condition D.1.3 will be utilized to confirm the CO emission factor. Even if testing indicated an emission factor greater than 3.12 pounds CO per gallon of fuel combusted, it doesn't mean that more than 100 tons of CO has been emitted. Therefore, DaimlerChrysler requests that the language "if testing results in Condition D.1.3 indicate that CO emissions are over 100 tons per year" be removed from this condition.

Response 8:

- (a) Condition D.1.4 shall be modified as follows:

D.1.4 Reporting Requirements

A quarterly summary of the information to document compliance with Condition D.1.1 ~~(b)~~ **(a)** shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported if the testing results in Condition D.1.3 indicate that CO emissions are over 100 tons per year.

- (b) The language in Condition D.1.4 cannot be deleted. From the calculations on page 1 of 1 in Appendix A of the TSD, if the emission factor was tested to be higher than the factor reported in the application, the CO emissions will go over 100 tons per year and violate the PSD minor limit. Therefore, there will be no change to the permit due to this comment.

Comment 9:

Technical Support Document

- (a) There are still several references to Chrysler in the TSD. KTP requests that all references to Chrysler be changed to DaimlerChrysler.
- (b) Permitted Emissions Units and Pollution Control Equipment - There are currently permitted facilities at KTP therefore, DaimlerChrysler requests that the sentence be modified to read:

"There are permitted facilities operating at this source during this review process."

Response 9:

The OAM prefers that the Technical Support Document reflect the permit that was on public notice. Changes to the permit or technical support material that occur after the public notice are documented in this Addendum to the Technical Support Document. This accomplishes the desired result of ensuring that these types of concerns are documented and part of the record regarding this permit decision.

- (a) Please note the following changes under **Source Definition** (Page 1 of 6):

The operation of machining, cleaning, and heat treating facilities to produce transmissions for use in automobiles and light duty trucks company consists of two (2) plants:

The ~~Chrysler~~ **DaimlerChrysler Corporation** - Kokomo Transmission Plant has been combined with the ~~Chrysler~~ **DaimlerChrysler Corporation** - Kokomo Casting Plant as one Title V source. The ~~Chrysler~~ **DaimlerChrysler Corporation** - Kokomo Transmission Plant is currently reviewed under a separate Part 70 Permit No. T-067-6504-00065. The ~~Chrysler~~ **DaimlerChrysler Corporation** - Kokomo Casting Plant is currently reviewed under a separate Part 70 Permit No. T-067-5246-00065.

- (a) Plant 1 is located at Kokomo Transmission Plant (KTP), 2401 S. Reed Road, Kokomo, IN 46904 ; and
- (b) Plant 2 is located at Kokomo Casting Plant (KCP), 1001 East Boulevard, Kokomo, IN 46904.

The following explains why Plant 1 and Plant 2 are combined sources:

OAM shall consider KTP and KCP as one source because plants KTP and KCP are under common control, KCP is acting as a support facility for KTP, and the plants are located on contiguous properties.

Separate Part 70 permits will be issued to ~~Chrysler Corporation~~ **DaimlerChrysler Corporation**, Kokomo Transmission Plant and ~~Chrysler Corporation~~ **DaimlerChrysler Corporation**, Kokomo Casting Plant.

- (b) Please note the following changes under **Permitted Emissions Units and Pollution Control Equipment** (Page 1 of 6):

There are permitted facilities operating at this source during this review process.

Appendix A: Emission Calculations
Internal Combustion Engines - Gasoline
Dynamometers (>250 and <600 HP)
Reciprocating

Page 1 of 1 TSD App A

Company Name: Daimler Chrysler Corporation - Kokomo Transmission Plant
Address City IN Zip: 2401 South Reed Road, Kokomo, IN 46904
CP#: 067-10711
Plt ID: 067-00065
Reviewer: Yvette de los Angeles/EVP
Date: 08/03/99

Annual Fuel Usage
gallons/year

63,000.0

Emission Factor in lb/1000 gal	Criteria Pollutant					
	PM	PM10	SO2	NOx	VOC	CO
	6.20	6.20	5.31	180.00	160.0	3120.00
Potential Emission in tons/yr	0.20	0.20	0.17	5.67	5.04	98.28

Emission Factor in lb/1000 gal	Hazardous Air Pollutant			
	Benzene	1,3-Butadiene	Formaldehyde	Acetaldehyde
	6.14	2.07	3.39	1.88
Potential Emission in tons/yr	0.19	0.07	0.11	0.06

Methodology

Emission Factors are from the Society of Automotive Engineers Technical Paper No. 912324 and shall be stack tested.

Emission (tons/yr) = [Annual Fuel Usage (gallons/year) x Emission Factor (lb/1000 gal)] / (2,000 lb/ton)